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EXPEDITED PROCEDURE
PETITION TO MAKE SPECIAL HAS BEEN GRANTED
GROUP ART UNIT 3692
PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICANTS: LIKOUREZOS et al. GROUP ART UNIT: 3692

SERIAL NO.: 10/044,075 FILED: January 11, 2002

EXAMINER: Clement B. Graham Atty. Docket No. 1002 CIP III

FOR: **SYSTEM AND METHOD FOR EFFECTING PAYMENT
FOR AN ITEM OFFERED FOR AN ELECTRONIC AUCTION SALE**

**P.O. Box 1450
Commissioner for Patents
Alexandria, VA 22313-1450**

LETTER TO THE EXAMINER

Sir:

Applicants are grateful to Examiner Clement Graham and Examiner Calvin Hewitt II for taking time to discuss the present application with the undersigned Applicant on May 7, 2007. During the telephonic interview, the Applicant set forth the teachings of the primary reference (Bogosian et al.) cited in the Final Office Action and distinguished these teachings from the features recited by Applicants' independent claims. Applicant, as an example, set forth that the primary reference (Bogosian et al.) teaches the use of credit cards for effecting payment, whereas Claim 1 recites the use of a payment account storing funds for effecting payment.

Examiner Hewitt II then stated to the Applicant that he will review Bogosian et al. and call the Applicant back in a few minutes. After about ten minutes, Examiner Hewitt II called, along with Examiner Graham, and informed the Applicant that he sees a distinction between the

teachings of Bogosian et al. (using credit cards to effect payment) and Applicants' claim recitations (creating and maintaining payment accounts storing funds and deducting funds therefrom for effecting payment for electronic auction/commerce transactions). In light of this admitted distinction, it is Applicants' understanding that Examiner Graham will consider the amendments and arguments presented with the recently filed RCE and preliminary amendment and set forth during the telephonic interview, and reconsider whether the primary reference (Bogosian et al.) in his cited rejections is still appropriate in rejecting Applicants' claims.

Examiner Hewitt II then presented a new reference to the Applicant, U.S. Patent No. 5,715,314 issued to Payne et al. on February 3, 1998. Examiner Hewitt II stated that the Payne et al. reference teaches the use of storing funds and using said stored funds to effect payment and hence renders Applicants' claims obvious. Upon reviewing the Payne et al. reference, the Applicants have decisively concluded that the Payne et al. reference does not teach storing funds, let alone, using stored funds to effect payment for network transactions.

Examiner Hewitt II quoted a sentence in Payne et al. at column 7, lines 14-15 which states "The payment computer then verifies whether the user account has sufficient funds or credit (step 76)". Given that there is no teaching to user accounts storing funds for effecting payment in Payne et al., but a teaching to the use of credit cards for effecting payment (see detailed description of Payne et al. and Figure 7), it is clear to the Applicants that the term "sufficient funds" as used in Payne et al. is merely intended as an alternate expression for credit. Applicants are not persuaded that the Payne et al. reference teaches accounts storing funds and using said stored funds for effecting payment for network transactions, and believe that Examiner Hewitt II has misinterpreted the teachings contained therein. Additionally, Applicants believe

that their claims provide other patentable features which are not disclosed or suggested by the art of record, including the Payne et al. reference, in addition to the feature of creating payment accounts storing funds therein and the use of said stored funds for effecting payment for network transactions.

Examiner Hewitt II also reviewed the detailed description during the telephonic interview and stated to the undersigned Applicant that the feature of replenishing a payment account, using payment sources previously identified by a registered user, after funds are deducted therefrom for effecting payment for an electronic auction/commerce transaction may be patentable. Examiner Hewitt II cautioned that if claims are presented with this feature, a search will be conducted to ascertain if this feature is indeed patentable.

If Examiner Graham should have any questions concerning this communication, the Examiner is requested to call the undersigned Applicant at (631) 220-5706.

Respectfully submitted,



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